

DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director JOHN R. BAZA
Division Director

Inspection Report Minerals Regulatory Program

Report Date November 4, 2005

Supervisor Details

Mine Name: Deremo-Peterson Operator Name: Umetco Minerals Permit number: M/037/025 Inspection Date: August 18,

2005

Time: 1:50-3:20 PM

Inspector(s): Paul Baker Other Participants: None Mine Status: Reclaimed

Weather: Partly Cloudy, 70's

| Elements of Inspection | Evaluated | Comment | Enforcement |
|---|------------------------|------------------------|--|
| 1. Permits, Revisions, Transfer, Bonds | | | |
| 2. Public Safety (shafts, adits, trash, signs, highwalls) | $\overline{\boxtimes}$ | $\overline{\boxtimes}$ | |
| 3. Protection of Drainages / Erosion Control | | | |
| 4. Deleterious Material | | | |
| 5. Roads (maintenance, surfacing, dust control, safety) | | | |
| 6. Concurrent Reclamation | | | |
| 7. Backfilling/Grading (trenches, pits, roads, | | | |
| highwalls, shafts, drill holes) | | | |
| 8. Water Impoundments | | | |
| 9. Soils | | | |
| 10. Revegetation | | | |
| 11. Air Quality | | | |
| 12. Other | | | |
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Purpose of Inspection:

The operator is requesting partial release, and there are some areas of the mine I had not previously seen. I wanted to look at these areas and be sure they were adequately reclaimed. I also wanted to see how vegetation was progressing on the waste pile.

Inspection Summary:

1. Permits, Revisions, Transfer, Bonds

The surety for this mine is in the form of a contract with the Board of Oil, Gas and Mining, but the operator has submitted a corporate surety which would cover revegetation of the ore pad and waste pile. Under this proposal, all other areas would be fully released. This will need to be approved by the Board.

2. Public Safety (shafts, adits, trash, signs, highwalls)

The mine had five vent shafts in Utah, and using a map from the plan, I was able to find all five of these sites. One of the shafts was retained for development as a water well, but the others have all been reclaimed. I cannot personally verify how the reclamation work was done, but I have obtained information from the operator, the plan, and from the previous inspector. This information is included in the bond release findings document.



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The shaft that was to be developed as a water well is shown in Photo 1. The well has not yet been developed, but the shaft is covered with hinged steel plates. I was not able to lift these plates and open the shaft, but it did not appear the plates had been welded shut.

The Snyder #4 hole is the southernmost of the vent holes. The road leading to this area (Photo 4) and the area of the vent hole itself (Photo 5) are well vegetated.

I was not able to find the exact location of the 5-foot diameter hole which is the westernmost of the vent holes, but Photos 6 and 7 show the road leading to this hole and the general area where the hole is shown on the map.

The map from the plan shows a hole right on the Colorado border, and while I found where this hole should have been (Photo 8), I saw no clear evidence of disturbance.

I previously visited the site of one other vent hole. It is on the edge of a grain field, and there is no evidence of this hole on the surface.

8. Water Impoundments

The pond is very shallow (perhaps two feet deep), but it does not appear the operator attempted to reclaim it. The area around the pond was well vegetated, primarily with foxtail barley, but the bottom of the pond had no vegetation, not even weeds.

10. Revegetation

There are no vegetation problems at any of the vent holes or the access roads.

The waste pile has a fair amount more grass than it did last spring, and the ore stockpile area also has a little more vegetation.

The undisturbed area around the pond has about 29 percent cover, and cover in the pond area itself, including the embankment, the bottom of the pond, and surrounding disturbed areas, is about 24 percent.

Conclusions and Recommendations:

I believe the vent holes have all been reclaimed to where they can be released.

It does not appear the pond was regraded, but it is so shallow that it presents no danger. There is enough vegetation around the perimeter of the pond that, even with no vegetation in the bottom, the average cover meets release criteria.

There is not yet enough cover on the waste pile or in the ore stockpile area for it to be released. However, the operator could make a strong case that everything practical has been done to revegetate these areas.

I recommend waiting until spring to reevaluate the vegetation on the waste pile and ore stockpile area and see if it then meets traditional release standards. If not, the operator could make the argument that everything practical has been done in these areas.

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The Division needs to sign the reclamation contract, and the operator will then need to go before the Board to be released from the current Board contract.

Inspector's Signature

Date: November 4, 2005

PBB:jb

cc: Rahe Junge, Umetco

Attachment: Photos

ATTACHMENT

Photographs

M/037/025, Deremo/Peterson Mine, Umetco Minerals

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Photo 1. Seven-foot vent hole to be developed as a water well. This is the northernmost vent hole.



Photo 2. The top of the waste pile.



Photo 3. The sediment pond. Most of the vegetation is foxtail barley.



Photo 4. The road to Snyder Vent Hole #4.

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Photo 5. The site of Snyder Vent Hole #4.



Photo 6. The road leading to a 5-foot diameter vent hole. This is the westernmost of all the holes.



Photo 7. The area f the westernmost vent hole.



Photo 8. The general area of a 5-foot diameter vent hole right next to the Colorado border.